

**Amendment No. 1 to SB3035**

**Harper  
Signature of Sponsor**

<b>FILED</b>
Date _____
Time _____
Clerk _____
Comm. Amdt. _____

**AMEND Senate Bill No. 3035**

**House Bill No. 3033\***

by deleting all language after the enacting clause of the introduced bill and substituting instead the following:

SECTION 1. Tennessee Code Annotated, Section 67-6-103(d)(1), is amended by adding the following as a new subdivision (E):

(E)(i) Notwithstanding the allocations provided for in subsection (a), if a new convention center that qualifies as a public use facility under the provisions of title 7, chapter 88, is constructed in a county having a metropolitan form of government with a population of more than five hundred thousand (500,000) according to the 2000 federal census or any subsequent federal census, then the metropolitan government may elect, in lieu of the distribution provided in subsection (e) of this section, to have an amount apportioned and distributed to the entity that is responsible for the retirement of the debt on the convention center, equal to the amount of state and local tax revenue derived under this chapter from the sale of admission, parking, food, drink and any other things or services subject to tax under this chapter if such sales occur on the premises of the convention center. Such apportionment and distribution shall begin at such time as the convention center begins operations and shall continue for thirty (30) years or until the debt on the convention center is retired, whichever is sooner. If a metropolitan government elects the distribution provided in this subdivision (d)(1)(E)(i), there shall be no distribution under subsection (e) of this section or under title 7, chapter 88, in connection with the tourism development zone in which the convention center is located.

(ii) In addition to the distribution provided in subdivision (d)(1)(E)(i), if a new hotel is constructed in connection with the construction of such convention center and if the metropolitan government elects the apportionment and

distribution provided in subdivision (d)(1)(E)(i), then an amount shall also be apportioned and distributed to the entity that is responsible for the retirement of the debt on the convention center, equal to the amount of state and local tax revenue derived under this chapter from the sale of lodging, parking, food, drink and any other things or services subject to tax under this chapter if such sales occur on the premises of the hotel. Such apportionment and distribution shall begin at such time as the convention center begins operations and shall continue for thirty (30) years or until the debt on the convention center is retired, whichever is sooner. To be entitled to receive the distribution of state and local tax revenue under this subdivision (d)(1)(E)(ii), the entity responsible for the retirement of the debt on the convention center must first file with the department of finance and administration an application seeking certification that the construction of such hotel is directly related to the construction of the convention center. The department of finance and administration shall review the application to confirm whether the hotel meets the requirements of this subdivision (d)(1)(E)(ii). The department of finance and administration shall report its determination to the department of revenue, which shall administer this subdivision (d)(1)(E)(ii) accordingly.

(iii) Notwithstanding any provision of this subdivision (d)(1)(E) to the contrary, no portion of the revenue derived from the increase in the rate of sales and use tax allocated to educational purposes pursuant to Acts 1992, ch. 529 §9, and no portion of the revenue derived from the increase in the rate of sales and use tax from six percent (6%) to seven percent (7%) contained in Acts 2002, ch. 856 §4, shall be apportioned and distributed pursuant to this subdivision (d)(1)(E). All such revenue shall continue to be allocated as provided in Acts 1992, ch. 529, and Acts 2002, ch. 856, respectively.

SECTION 2. Tennessee Code Annotated, Section 67-6-103(e), is amended by deleting the language "Notwithstanding the provisions of this section to the contrary ,"

and substituting instead the language "Notwithstanding the provisions of this section to the contrary except as provided in subdivision (d)(1)(E),".

SECTION 3. Tennessee Code Annotated, Section 7-88-106(a), is amended by inserting the following language at the beginning of the first sentence:

Except as provided in §67-6-103(d)(1)(E),

SECTION 4. Tennessee Code Annotated, Section 7-88-106(b), is amended by adding the following language after the last sentence:

Notwithstanding the foregoing, a county having a metropolitan form of government with a population of more than five hundred thousand (500,000) according to the 2000 federal census or any subsequent federal census shall not be limited to one (1) tourism development zone eligible to receive a distribution of tax revenue.

SECTION 5. This act shall take effect upon becoming a law, the public welfare requiring it.